

NSC BRIEFING

25 October 1956

IMPLICATIONS OF DEVELOPMENTS IN POLAND

AND HUNGARY:

A. On Soviet policy toward Satellites: Soviet decision to go along with Gomulka's ^{Polish} national Communist state may ^{in Moscow} now be reassessed because of events in Hungary. *These are the reasons:*

1. Hungarian revolt demonstrates hatred of all forms of Communism, including so-called national Communism, ~~by populations in captive states and continued love for freedom.~~

2. Hungarian revolt may demonstrate inability of "Moderate" *National* Communist regimes to maintain control.

3. Soviet decision to intervene -- *on what may have been a triumph* ~~whether on Hungarian regime~~ *from a frightful P.M. of a few hours,* request ~~has~~ -- has shown "true colors" of USSR, colors the USSR reluctant to reveal in Poland. It may thus lessen Soviet reluctance to move militarily in Poland if the situation there argues for such intervention.

4. Soviet intervention in Hungary revealed clear line between Moscow's attitude (as of 23 October) toward national Communism (a la Gomulka and Tito) and non-Communism, as ~~exemplified~~ *exemplified* by "rebels" in Hungary who are fighting Nagy's national Communist regime.

5. USSR may now draw new line demanding even more of national Communism, in effect get tougher toward all Satellites, including Gomulka's Poland.

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6. USSR, ^{serious} ~~still~~ in dilemma ^{as} in regard Satellite policy: ~~the~~
~~question is~~ whether to revert to harsh, Stalinist measures ~~and thus~~
~~jeopardize over-all, "peaceful co-existence" foreign policy in eyes of~~
~~the world, or whether to continue tolerance of national Communist~~
~~regimes in Hungary and Poland~~ ^{The first alternative} ~~after order restored in Hungary and~~
~~Soviet troops are back in garrison.~~ ^{second} This latter alternative ~~leaves~~
~~unsolved the big question of risk to the Soviet empire inherent under~~ ^{The continued Soviet control of all}
~~its European satellites~~
~~such a revised system of Soviet control.~~

B. ~~On over-all Soviet foreign policy~~ The Hungarian developments at
least partially discredit the Soviet peace and freedom line in the West and
^{if properly exploited may} ~~will probably~~ have a similar effect in neutralist ^{+ in committed} ~~and colonial (and former~~
~~colonial) areas.~~

1. If USSR follows tolerant policies in Satellites, allowing national Communism, coupled with acceleration of peace moves, it can probably recover lost prestige, but only with time.
2. If hard policy in the Satellites is followed, will this mean a schizoid approach -- hard in Satellites, soft in rest of world -- or will they adopt new and tougher policy in general? --- seeing in this little to lose. (Latter might force neutralists to chose sides?)
3. Possible if course, Soviets will await world reaction to Satellite developments before making up their minds.
4. Also possible this could produce new disagreements in the Kremlin hierarchy.

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C. On internal Satellite developments: National Communists of Gomulka and Nagy ilk presumably want, if left alone: "benevolent monopoly of Communist power, by force only in last extreme; greater role, however, for non-Communists; greater internal freedom, based on law ("socialist legality"); "leading", rather than "ruling" role for Party; economic liberalization, including genuinely voluntary agricultural socialization, economic decentralization -- (an end to state capitalism); and immediate emphasis on raise in standards ~~of~~ of living; a foreign policy based on equal alliance with the USSR, by their own choice, decreased economic relations with the W Soviet Bloc, and, concomitantly, increased relations with the non-Communist world.

If this form of Party and policy permitted by the USSR -- and it probably cannot be prevented in Poland and Hungary by the USSR without force -- ~~it will have an inevitable effect on all other Satellites~~ it will have an inevitable effect on all other Satellites. (Demonstrations in other Satellites already a possibility, particularly in Czechoslovakia and Rumania.) Present hard-line regimes may fall or merely change attitudes, peacefully and gradually.

USSR still has strong economic hold on all Satellites, whose internal economies are in bad shape, are currently being bolstered by Soviet loans. Poland perhaps the worst off, Czechoslovakia the best. Alternative to economic disruptions in Poland, perhaps Hungary, East Germany as well, may be limited to continued outside help, if not from

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the USSR, then from the West.

D. Effect on Yugoslavia: Tito has responded cautiously to the events in Hungary and Poland. Comment in the Yugoslav press has been limited so far.

1. The Yugoslavs view the establishment of a national Communist form of government in Poland as a salutary development and have given Gomulka their blessing.

2. The mortal threat to the Nagy Communist regime in Hungary, posed by the popular uprising, appears to have met with Belgrade's disfavor.

3. To a large extent they blame Nagy for what has happened and as a result probably will bide their time before committing themselves on Hungary.

E. Soviet Leadership: Soviet leaders will probably struggle to give impression of unity during the crisis. A turn-over in the hierarchy now would be admission of serious instability and doctrinal bankruptcy.

However, Soviet leadership is certainly on the defensive at this point and Khrushchev, in particular, may find that his policies are being subjected to extremely critical review. Result may be that factional realignments will take place within the regime and eventually result in ~~xx~~ some changes at the top.